INDENTURE: BOND SERIES:	SINGLE FAMIL SERIES AA/BB		DS (1985 RESOLUTION)			PAGE NO. 1-1985AA	V/BB
SERIES DATE:	05/01/95			SERIES SOLD:	05/24/95		
GENERAL INFORMATI	ON:		LOAN PORTFOLIO CHARA	CTERISTICS (AS A % OF LOANS	OUTSTANDING)		
Bonds Outstanding: Bond Yield Mortgage Loan Prin Out Mortgage Rate(s) Outstanding Commitme	6 nts:	6,260,000 6.24% 7,315,361 .75% - 7.35% 0	New Construction: Existing Home: Total	19.87% <u>80.13%</u> 100.00%	Private FHA VA Self Insured		0.00% 100.00% 0.00% 0.00%
Uncommitted Lendable Average Purchase Price Average Original Loan A Total No. of Loans Origi Total No. of Loans Paid Total No. of Loans Outs	e: Amount: nated: Off:	0 63,857 61,951 764 613 151	Fixed Rate Mortgages Graduated Pmt Mtgs Growing Equity Mtgs Variable Rate Mtgs Total	100.00% 0.00% 0.00% <u>0.00%</u> 100.00%	Guaranty Fun Other (less than 80 Total		0.00% <u>0.00%</u> <u>100.00%</u>
Trustee: The Bar 10161 C Jackson (904) 64 Contact Program: P.O. Bo Raleigh, (919) 87 Contact Sharon	: Christine Boyd x 28066 NC 27611-8066 7-5700 : Drewyor, Director o	of Home Ownership	Type of Housing: Single Family Detached Condos/Townhouses Manufactured/Duplexes Total	88.08% 9.27% <u>2.65%</u> <u>100.00%</u>		f Private Mortgage Insurers f total portfolio): 0.00% 0.00% 0.00% 0.00% 0.00%	
POOL INSURANCE CC	VERAGE (DOLLAI	Financial Officer (91 RS IN THOUSANDS	•	Current Funding Requirements:	(data is for 1985 Se	eries AA/BB only):	
Name of Self-Insurance Fund:     Mortgage Deficiency Fund       Series of Bonds Covered:     1985 Series D through WW (excluding Series U/V)				Total Dollar Amount (\$000) Note 1   As % of Initial Principal Amount    of Mortgage Loans Purchased Note 1   Claims to Date 0			
	Max	timum level of fundir	ng required over the life of the bon		Note 1		
DELINQUENCY STATI 60 days 90 days In Foreclosure	STICS (AS A % OF % 3.97% 1.32% 0.66%	LOANS OUTSTAN # 6 2 1	DING)	(AS % OF PRINCIPAL BALANCE % 3.26% 1.46% 0.51%	EOUTSTANDING) \$ 238,4 106,5 37,1	14 42	
No. of Loans Foreclosed Foreclosed (Loss)/Gain Net of Insurance Procee	to Date	Not a	vailable vailable vailable	Real Estate Owned Number of Loans Outstanding Mtg Amount At time of Default Current Balance		0 50 50	
MORTGAGE LOAN SE	RVICERS			MORTGAGE LOAN RATES (BY	BOND SERIES)		
Servicer	# of Loans	% of Por	tfolio	S	Series	# of Loans	Mtg Rate
BB&T Marsh RBC Centura Bank of America	58 43 39 <u>11</u>	28 25	.41% .48% .83% . <u>28%</u>	198	5 SERIES AA/BB	1 149 <u>1</u> 151	6.75% 7.13% 7.35%
					rotar	<u>151</u>	

Note 1: The provisions of the Mortgage Deficiency Fund were extended to Series AA and BB Bonds. However, additional funding was not required in consequence of the extension of such provisions.

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION) PAGE NO. 2-1985AA BOND SERIES: SERIES AA/BB								PAGE NO. 2-1985AA/BB
LIST OF BONDS BY	MATURITY:							
CUSIP	Maturity	Bond	Interest	Original	Principal	Principal	Principal	Bond Call
Number	Date	Туре	Rate	Amount	Matured	Redemptions	Outstanding	Sequence (Note 1)
65820EBW9	03/01/97	Serial	4.65%	\$380,000	\$330,000	\$50,000	\$0	2
65820EBX7	09/01/97	Serial	4.65%	395,000	340,000	55,000	0	2
65820EBY5	03/01/98	Serial	4.80%	405,000	350,000	55,000	0	2
65820EBZ2	09/01/98	Serial	4.80%	410,000	350,000	60,000	0	2
65820ECA6	03/01/99	Serial	5.00%	425,000	365,000	60,000	0	2
65820ECB4	09/01/99	Serial	5.00%	435,000	360,000	75,000	0	2
65820ECC2	03/01/00	Serial	5.15%	445,000	370,000	75,000	0	2
65820ECD0	09/01/00	Serial	5.15%	455,000	365,000	90,000	0	2
65820ECE8	03/01/01	Serial	5.30%	470,000	375,000	95,000	0	2
65820ECF5	09/01/01	Serial	5.30%	480,000	360,000	120,000	0	2
65820ECG3	03/01/02	Serial	5.40%	490,000	350,000	140,000	0	2
65820ECH1	09/01/02	Serial	5.40%	510,000	355,000	155,000	0	2
65820ECJ7	03/01/03	Serial	5.50%	520,000	345,000	175,000	0	2
65820ECK4	09/01/03	Serial	5.50%	535,000	315,000	220,000	0	2
65820ECL2	03/01/04	Serial	5.60%	550,000	300,000	250,000	0	2
65820ECM0	09/01/04	Serial	5.60%	560,000	240,000	320,000	0	2
65820ECN8	03/01/05	Serial	5.70%	585,000	220,000	365,000	0	2
65820ECP3	09/01/05	Serial	5.70%	595,000	195,000	400,000	0	2
65820ECQ1	03/01/06	Serial	5.80%	615,000	185,000	430,000	0	2
65820ECS7	09/01/06	Serial	5.80%	630,000	160,000	470,000	0	2
65820ECT5	03/01/07	Serial	5.90%	650,000	150,000	500,000	0	2
65820ECU2	09/01/07	Serial	5.90%	670,000	150,000	520,000	0	2
65820ECV0	03/01/08	Serial	6.00%	690,000	160,000	530,000	0	2
65820ECW8	09/01/08	Serial	6.00%	710,000		570,000	140,000	2
65820ECZ1	03/01/12	Term (Note 2)	6.25%	5,090,000		4,145,000	945,000	2
65820ECR9	03/01/17	Term (Note 3)	6.25%	11,020,000		8,950,000	2,070,000	2
65820EDB3	03/01/21	Term (Note 4)	6.05%	11,010,000		11,010,000	0	1
65820EDC1	09/01/26	Term (Note 5)	6.50%	20,270,000		17,165,000	3,105,000	2
	Total 1985 Series AA/BB			\$60,000,000	\$6,690,000	\$47,050,000	\$6,260,000	

Note 1: See optional and special redemption provisions on page 4-1985AA/BB. (i.e. "1" denotes first call priority from prepayments.) Note 2: Sinking fund redemption begins March 1, 2009. Note 3: Sinking fund redemption begins March 1, 2012. Note 4: Sinking fund redemption begins September 1, 2017. Note 5: Sinking fund redemption begins September 1, 2021.

ND SERIES: SERIES AA	/BB						
LIST OF UNSCHEDULED REDEMPTIONS							
Call Date	Call Amount	Type of Call	Source Of Funds				
01/01/96	\$290,000	Pro rata	Debt Service Reserve				
01/01/96	7,705,000	Pro rata	Unexpected Proceeds				
07/01/96	190,000	Supersinker	Prepayments				
07/01/96 12/01/96	5,000 265,000	Pro rata Supersinker	Debt Service Reserve Prepayments				
12/01/96	230,000	Pro rata	Prepayments				
12/01/96	10,000	Pro rata	Debt Service Reserve				
02/01/97	290,000	Supersinker	Prepayments				
06/01/97	645,000	Supersinker	Prepayments				
09/01/97 01/01/98	465,000 1,230,000	Supersinker Supersinker	Prepayments Prepayments				
03/01/98	65,000	Supersinker	Prepayments				
03/01/98	620,000	Pro rata	Prepayments				
03/01/98	25,000	Pro rata	Debt Service Reserve				
07/01/98	640,000	Supersinker	Prepayments				
07/01/98 01/01/99	5,000 1,825,000	Pro rata Supersinker	Debt Service Reserve Prepayments				
05/01/99	370,000	Supersinker	Prepayments				
05/01/99	855,000	Pro rata	Prepayments				
05/01/99	35,000	Pro rata	Debt Service Reserve				
07/01/99	885,000	Supersinker	Prepayments				
07/01/99 09/01/99	5,000 515,000	Pro rata Supersinker	Debt Service Reserve Prepayments				
12/15/99	1,470,000	Supersinker	Prepayments				
05/01/00	195,000	Supersinker	Prepayments				
05/01/00	1,330,000	Pro rata	Prepayments				
05/01/00	65,000	Pro rata	Debt Service Reserve				
07/01/00	495,000	Supersinker Pro rata	Prepayments Prepayments				
07/01/00 07/01/00	90,000 10,000	Pro rata	Debt Service Reserve				
01/01/01	1,350,000	Pro rata	Prepayments				
01/01/01	70,000	Pro rata	Debt Service Reserve				
06/01/01	1,095,000	Pro rata	Prepayments				
06/01/01 10/01/01	60,000 1,625,000	Pro rata Pro rata	Debt Service Reserve Prepayments				
10/01/01	85,000	Pro rata	Debt Service Reserve				
01/01/02	940,000	Pro rata	Prepayments				
01/01/02	50,000	Pro rata	Debt Service Reserve				
04/15/02	545,000	Pro rata	Prepayments				
04/15/02 07/01/02	35,000 885,000	Pro rata Pro rata	Debt Service Reserve Prepayments				
07/01/02	45,000	Pro rata	Debt Service Reserve				
01/01/03	795,000	Pro rata	Prepayments				
06/01/03	1,140,000	Pro rata	Prepayments				
06/01/03 06/01/03	105,000 900,000	Pro rata Pro rata	Debt Service Reserve				
10/01/03	1,295,000	Pro rata	Prepayments Prepayments				
10/01/03	120,000	Pro rata	Debt Service Reserve				
10/01/03	755,000	Pro rata	Prepayments				
01/01/04	3,310,000	Pro rata	Prepayments				
05/01/04 09/01/04	1,545,000 1,750,000	Pro rata Pro rata	Prepayments Prepayments				
09/01/04	440,000	Pro rata Pro rata	Debt Service Reserve				
01/01/05	865,000	Pro rata	Prepayments				
01/01/05	55,000	Pro rata	Debt Service Reserve				
05/01/05	590,000	Pro rata	Prepayments				
05/01/05 10/01/05	40,000 1,085,000	Pro rata Pro rata	Debt Service Reserve Prepayments				
04/01/06	1,475,000	Pro rata	Prepayments				
04/01/06	145,000	Pro rata	Debt Service Reserve				
08/01/06	625,000	Pro rata	Prepayments				
08/01/06	40,000	Pro rata	Debt Service Reserve				
01/01/07	755,000	Pro rata Pro rata	Prepayments				
01/01/07 05/01/07	45,000 190,000	Pro rata Pro rata	Debt Service Reserve Prepayments				
05/01/07	15,000	Pro rata	Debt Service Reserve				
11/01/07	330,000	Pro rata	Prepayments				
11/01/07	20,000	Pro rata	Debt Service Reserve				
02/01/08	665,000	Pro rata Pro rata	Prepayments Debt Service Record				
02/01/08 07/01/08	40,000 <u>305,000</u>	Pro rata Pro rata	Debt Service Reserve Prepayments				
	000,000						

INDENTURE: SINGLE FAMILY REVENUE BONDS (1985 RESOLUTION)

PAGE NO. 4-1985AA/BB

BOND SERIES: SERIES AA/BB

Bond Call Information:

Special Redemption

The 1985 SERIES AA and BB bonds may be redeemed in whole or in part on any date at the principal amount plus accrued interest to the date of redemption, from: (i) unexpended proceeds,

- (ii) excess revenues transferred from the revenue reserve fund,
- (iii) prepayments of mortgage loans financed with the proceeds of the SERIES AA and BB bonds,
- (iv) moneys withdrawn from the debt service reserve fund in connection with an excess over the debt service reserve requirement, and
- (v) from prepayments of mortgage loans financed with proceeds from series of bonds issued subsequent to the Series D bonds other than the SERIES AA and BB bonds and from certain moneys in excess of the debt service resrve reugirement on deposit in the debt service reserve fund ("Cross Call Redemption").

Prepayments on mortgage loans financed with the proceeds of the SERIES AA and BB bonds, shall first be applied to the redemption or purchase of Series BB Term bonds due March 1, 2021 during the periods up to the scheduled amounts set forth in the series resolution.

Moneys in excess of the debt service reserve requirement shall be applied to the redemption of the SERIES AA and BB bonds in any manner. Moneys to be applied to redemption from excess revenues in the revenue reserve fund, from prepayments in excess of the scheduled principal amounts or from cross call redemption sources, shall be applied to ro rata. However, the Agency may redeem on other than a pro rata basis, if the Agency files a notice with the Trustee together with a cash flow certificate.

## Optional Redemption

March 1, 2007 and thereafter

The SERIES AA and BB bonds are redeemable at the option of the Agency, in any manner the Agency shall determine, on or after, March 1, 2005, in whole or in part, on any date, at the following redemption prices, plus accrued interest to te date of redemption:

100.00%

Period	Redemption Price			
(Both Dates Inclusive)	(Expressed as a Percentage)			
March 1, 2005 to February 28, 2006	102.00%			
March 1, 2006 to February 28, 2007	101.00%			